

RESOLUTION NO. 2017-39

**RESOLUTION ESTABLISHING CERTAIN CLEAN WATER SERVICES
SEWER UTILITY RATES, AND SEWER UTILITY RATES FOR
THE CITY OF FOREST GROVE, EFFECTIVE JULY 1, 2017,
AND REPEALING RESOLUTION NO. 2016-48**

WHEREAS, Forest Grove Code Section 3.705 and as set forth in the Agreement with Clean Water Services, Page 5, Section 4.B., of the Agreement requires the City to collect rates and charges set by Clean Water Services; and

WHEREAS, Clean Water Services provides the City of Forest Grove sanitary sewer treatment and surface water management billed on per dwelling unit; and

WHEREAS, Clean Water Services will set a regional rate only and the City has to set the entire local rate effective July 1, 2017; and

WHEREAS, Clean Water Services is proposing a 3.0% Sewer rate increase effective July 1, 2017; and

WHEREAS, the City is setting its local rate to reflect a 3.0% total increase; and

WHEREAS, Clean Water Services Board of Directors is proposing to increase its Sanitary Sewer System Development Charges (SDC) by \$200, raising the fee from \$5,300 to \$5,500 per EDU, effective July 1, 2017; and

WHEREAS, the City of Forest Grove will retain 20 percent (20%) of the Sanitary Sewer System Development Charges as set forth by Clean Water Services.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF FOREST GROVE AS FOLLOWS:

Section 1: The City Council authorizes the City to collect Sewer rates and charges as set forth by Clean Water Services Board of Directors to be effective July 1, 2017.

Section 2: The City Council authorizes the City to collect Sanitary Sewer System Development Charges as set forth by Clean Water Services Board of Directors effective on July 1, 2017.

Section 3: The City of Forest Grove shall retain 20 percent (20%) of the Sanitary Sewer Development Charges as set forth by Clean Water Services Board of Directors to be effective July 1, 2017.

Section 4: The City of Forest Grove sets the following sanitary sewer utility rates for servicing the local portion of the sewer collection system that the City is responsible to maintain: Monthly Base Charge of \$8.64 per Dwelling Unit Equivalent (DUE) and a Use Charge of \$0.420 per 1,000 gallons per month for individual customer winter average. The revenue collected by this fee shall be retained by the City.

Section 5: The above rates shall become effective July 1, 2017.

Section 6: Resolution No. 2016-48 is repealed upon the effective implementation date of the foregoing rates.

Section 7: This resolution is effective immediately upon its enactment by the City Council.

PRESENTED AND PASSED this 12th day of June, 2017.


Anna D. Ruggles, City Recorder

APPROVED by the Mayor this 12th day of June, 2017.


Peter B. Truax, Mayor



A place where families and businesses thrive.

CITY RECORDER USE ONLY:

AGENDA ITEM #: 8
MEETING DATE: 6/12/17
FINAL ACTION: 2020738

*3% increase
3% CWS*

CITY COUNCIL STAFF REPORT

TO: City Council

FROM: Jesse VanderZanden, City Manager

MEETING DATE: June 12, 2017

PROJECT TEAM: Rob Foster, Public Works Director
Paul Downey, Administrative Services Director

SUBJECT TITLE: Sewer Rate Increase for FY 2017-18

ACTION REQUESTED:

	Ordinance		Order	X	Resolution		Motion		Informational
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X all that apply

ISSUE STATEMENT: Each year, Clean Water Services (CWS) has set regional and local sewer rates and the City has added a surcharge to raise sufficient revenue to cover the costs of operating the local portion of the sewer collection system. The regional rate is charged by CWS to covers its cost of the sewer collection and treatment system. This year, CWS is only setting the regional rate and each local jurisdiction has to set the full local rate that it needs. The regional rate will be the FY 2016-17 rate's regional portion increased by three percent. City staff are proposing to set the local rate at the FY 16-17 local portion of the CWS rate plus the City surcharge with the total of those two increased by three percent. Clean Water Service will continue to set the system development charge (SDC). The City does not have an additional local SDC.

BACKGROUND: CWS is only setting the regional rate that cities have agreed to collect for CWS. Over the past few fiscal years, the cities and CWS have been negotiating the cities being able to charge a right-of-way or franchise fee to CWS similar to those fees charged to other utilities to use the right-of-way. Cities are now able to charge an up to five percent fee to CWS. Four cities are doing so or are in the process of adding the fee. Staff will bring this concept to City Council at a later date. As part of the process for charging the fee, CWS is now only setting the regional rate for all users and a local rate for local collection customers they serve in unincorporated areas. Cities need to set their total local rate now.

CWS had proposed a three percent increase for rates for FY 2017-18 as CWS had been doing for the last several fiscal years. CWS is increasing its regional rate by three percent as of July 1, 2017. City staff has been using an annual three percent increase by CWS in its sewer planning, so staff is proposing to increase its local rate by three percent is FY 2017-18.

For July 1, 2017, the total rate will be the same as if a 3% increase was applied across the board to the July 1, 2016, rates. The CWS proposed rates of a base fee of \$23.67 and \$2.086 per 1,000 gallons of usage (winter water average usage) were set by CWS. The table below shows how the new rates will be set:

	Prior Method		7/1/17 Rate	
	7/1/16 Rate			
	Base	Usage	Base	Usage
CWS	\$27.45	\$2.433	\$28.27	\$2.506
City Surcharge	\$3.92		\$4.04	
Total	\$31.37	\$2.433	\$32.31	\$2.506

Revised Method			
CWS Rate		\$23.67	\$2.086
City Rate		\$8.64	\$0.420
Total		\$32.31	\$2.506

CWS will increase the Sewer SDC to \$5,500 from \$5,300 effective July 1, 2017. The City will continue to retain 20% of the fee while other cities retain 4% of the fee.

FISCAL IMPACT: These rate increases are built into the FY 2017-18 Budget which outlines the fiscal impact of those rate increases. The 3.0% increase to all sanitary sewer rates will increase costs by \$1.26 per month for typical residential consumption of 8ccf or 5,984 gallons per month of winter water usage.

STAFF RECOMMENDATION: Staff recommends the City Council approve the attached resolution adopting the City local rate for sanitary sewer services and passing through the other sewer rates set by Clean Water Services including the SDC for the City of Forest Grove.

ATTACHMENT(s): Resolution

NOTICE OF PUBLIC HEARING PROPOSED INCREASE OF WATER AND SEWER RATES FOR THE CITY OF FOREST GROVE

NOTICE IS HEREBY GIVEN that the Forest Grove City Council will hold Public Hearings on **Monday, June 12, 2017, at 7:00 p.m. or thereafter**, in the Community Auditorium, 1915 Main Street, Forest Grove, to consider adopting resolutions that would increase water rates for all customer classes to achieve an overall four percent (4%) water revenue increase and sanitary sewer rates by three percent (3%) per month per equivalent dwelling unit. If enacted by City Council, the proposed rate increases would be effective July 1, 2017.

This hearing is open to the public and interested parties are encouraged to attend. A copy of the report and a list of the proposed fees are available for inspection before the hearing at the City Recorder's Office or by visiting the City's website at www.forestgrove-or.gov. Written comments or testimony may be submitted at the hearing or sent to the attention of the City Recorder's Office, P. O. Box 326, 1924 Council Street, Forest Grove, OR 97116, prior to the hearing. For further information, please call Anna Ruggles, City Recorder, 503.992.3235.

Anna D. Ruggles, CMC, City Recorder
City of Forest Grove

Published NewsTimes ~ Wednesday, June 7, 2017

Date: June 12, 2017

Agenda Item: 8.

Subject: PUBLIC HEARING AND RESOLUTION NO. 2017-39 ESTABLISHING CERTAIN CLEAN WATER SERVICES (CWS) SEWER UTILITY RATES AND SEWER UTILITY RATES FOR THE CITY OF FOREST GROVE, EFFECTIVE JULY 1, 2017, AND REPEALING RESOLUTION NO. 2016-48

CITY COUNCIL MEETING

Request to Testify at Public Hearing

Public Hearings – Public hearings are held on each matter required by state law or City policy. Anyone wishing to testify should sign-in for the Public Hearing prior to the meeting. The Mayor or presiding officer will review the complete hearing instructions prior to testimony. The Mayor or presiding officer will call the individual or group by the name given on the sign-in form. When addressing the Mayor and Council, please move to the witness table (center front of the room). Each person should speak clearly into the microphone and must state their first and last name and provided a mailing address for the record. All testimony is electronically recorded. In the interest of time, Public Hearing testimony is limited to three minutes unless the Mayor or presiding officer grants an extension. Written or oral testimony is heard prior to any Council action.

Please sign-in below to testify.

PROPONENTS: (Please print legibly)

First & Last Name:

Address:

City, State & Zip Code:

OPPONENTS: (Please print legibly)

First & Last Name:

Address:

City, State & Zip Code:

OTHERS: (Please print legibly)

First & Last Name:

Address:

City, State & Zip Code:



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E-mail: legals@commnewspapers.com

AFFIDAVIT OF PUBLICATION

State of Oregon, County of Washington, SS
I, Charlotte Allsop, being the first duly sworn,
depose and say that I am the Accounting
Manager of the **Forest Grove News-Times**,
a newspaper of general circulation, published
at Forest Grove, in the aforesaid county and
state, as defined by ORS 193.010 and
193.020, that

City of Forest Grove

**Notice of Public Hearing - Proposed
Increase of Water and Sewer Rates
FGNT15901694**

a copy of which is hereto attached, was
published in the entire issue of said
newspaper for

1

week in the following issue:

June 7, 2017

Charlotte Allsop

Charlotte Allsop, Accounting Manager

Subscribed and sworn to before me this
June 7, 2017.

[Signature]

NOTARY PUBLIC FOR OREGON



Acct #298024

PO #: 20165070

Attn: Anna Ruggles

City of Forest Grove

PO Box 326

Forest Grove, OR 97116

Size: 2 x 5.20"

Amount Due: \$99.32*

*Please remit to the above address.



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City of Forest Grove
Publish 06/07/2017.

FGNT15901694